

NEWS FROM TENNESSEE ECD

# DEVELOPMENTS

Volume 2, Issue 3

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Talks Education, Strategy  
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ISSUE



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The 57th Annual Governor's Conference brought education to the forefront of discussion on future economic development for the state.

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# Comments from Commissioner

*Matt Kisber*



Wow, what a fantastic Governor's Conference this year! It was great to see such a large turnout for my last time attending as ECD Commissioner. I can't believe eight conferences have come and gone. I hope you took away new ideas and best practices to implement in your community or business.

We were fortunate to have national education reform expert Michael Cohen, president of Achieve, keynote the Commissioner's Luncheon. The importance of education reform for our state's future workforce cannot be understated as evidenced by the fact that:

- **81% of Tennessee's jobs are middle- or high-skill jobs requiring some postsecondary education or training, yet only 25-30% of Tennessee adults have a postsecondary degree.**
- **34% of Tennessee's first-year students in either a two- or four-year institution require remedial classes.**

However, if 50% of adults 25 and older in Tennessee had "some college" or an associate's degree (compared to 25% of adults currently):

- **The state's median income would increase by about \$1,300.**
- **There would be more than 47,000 fewer people in poverty.**
- **About 16,500 fewer people would be unemployed.**

It's obvious that we must address education reform in Tennessee. Now.

I'm encouraged to see business leaders, policymakers and private citizens in Tennessee standing up for education reform. We, as a state, have decided that the educational standards of K-12 students must be raised to reflect the competitive, global environment we find ourselves in. And we've set clear, measureable goals for raising these standards.

Will we see results immediately? Governor Bredesen has made no secret of the fact that this kind of reform takes time. Alongside former Department of Education Commissioner Tim Webb, Governor Bredesen led a successful campaign that landed Tennessee as one of two states to receive funding through the first round of President Obama's Race to the Top competition – the first step to improving our state's approach to public education.

It's clear to all of us just how important education is to our state's future. As Mr. Cohen reminded us, higher levels of education lead to elevated wages, less poverty and substantial gains in productivity. This kind of success will benefit all Tennesseans and help the state to succeed in our economic development efforts. ■

## ECD In Brief

### ECD Host Downtown Revitalization Workshop



In June, ECD's Tennessee Main Street Program hosted a two-day downtown revitalization workshop. Representatives from Tennessee's 24 Main Street communities and 10 Tennessee Downtowns communities attended the free educational workshop. The workshop is a component of the Tennessee Downtowns program and aligns with Main Street's annual training.

### Tennessee Receives Trade Awards Award

*Area Development* magazine awarded Tennessee its Silver Shovel Award, presented annually to states that have demonstrated much success and progress with job creation and economic impact. Additionally, *Southern Business and Development* magazine's annual "Top Deals and Hot Markets" rankings named Tennessee, alongside Louisiana, Co-State of the Year for the second year in a row.



### Retire TN Receives USDA Rural Development Grant

ECD Commissioner Matt Kisber accepted a \$15,000 business grant from USDA Rural Development on behalf of the Retire Tennessee program. The grant will be used to promote Tennessee nationally as an attractive location for retirees and to support continuing education opportunities for Retire Tennessee communities.



## ECD Commissioner At Work

- July 19:** U.S. Chamber of Commerce Tennessee Jobs Roundtable in Franklin
- Aug. 22:** Center for Automotive Research's 2010 Management Briefing Seminars in Traverse City, Mich.
- Aug. 25:** Pathway Lending Energy Efficiency Loan Fund Announcement in Nashville
- Aug. 27-30:** Southern Governors' Association 2010 Annual Meeting in Birmingham, Ala.
- Sept. 2:** Chattanooga Downtown Rotary Club Meeting in Chattanooga
- Sept. 8:** Jackson Area Chamber of Commerce's Quarterly Membership Breakfast in Jackson
- Sept. 9:** International Business Council Luncheon in Nashville
- Sept. 15:** Nashville Business Breakfast in Nashville
- Sept. 15:** Loews Hotels Business Services Center Ribbon Cutting Ceremony in Nashville
- Sept. 16-17:** 57th Annual Governor's Conference on Economic and Community Development in Nashville
- Sept. 20:** Tennessee Government Institute's Fall Conference in Nashville
- Sept. 21:** Freed-Hardeman University School of Business' Second Annual Leadership Summit in Henderson
- Sept. 23:** East Tennessee Economic Development Agency's Dallas Site Consultant Luncheon in Dallas, Texas



# Loan Program Helps Businesses Invest in Green Technology

A unique partnership between the state of Tennessee, the U.S. Department of Energy, the U.S. Economic Development Administration, Pathway Lending, Pinnacle Financial Partners and the Tennessee Valley Authority now allows Tennessee companies to finance investments in energy efficient technology, energy retrofits and renewable energy systems. The \$50 million Energy Efficiency Loan program, administered by Pathway Lending offers access to below-market rate loans, financing up to 100 percent of improvements aimed at reducing energy consumption, lowering overall costs and improving profitability.



*Governor Phil Bredesen stands with ECD Commissioner Matt Kisber as the Energy Efficiency Loan Program is announced in August 2010.*

"Our goal is to make Tennessee a true leader in sustainability and this new Energy Efficiency Loan Program will be a substantial step in that direction," said Tennessee Governor Phil Bredesen. "By providing access to this type of financing, we are making Tennessee businesses more competitive and that means more jobs for Tennesseans."

Pathway Lending offered qualifying businesses below-market rate loans at 5 percent with terms extending to 10 years. Loans financed up to 100 percent of costs on projects including building retrofits, equipment replacements or upgrades, lighting and renewable generation projects. A unique characteristic of the loan is that it can be repaid with the energy costs savings derived from each project.

To be eligible for a loan, businesses were required to complete an energy audit, assessment or vendor proposal with detailed project energy savings. Once verified, these energy savings determined the amount and term of the loan and the applicant's ability to repay the loan with those savings.

Pathway Lending hosted a series of informational workshops throughout the state during the month of September for interested parties to learn about the application process. The initial application period was open from Aug. 25 to Nov. 1, 2010. Any business interested in reducing energy consumption in their Tennessee facilities was eligible to apply.

To learn more about the Energy Efficiency Loan Program, visit [www.pathwaylending.org](http://www.pathwaylending.org).

## U.S. Chamber of Commerce Dubs Tennessee Programs 'Innovative'

A recent U.S. Chamber of Commerce and the National Chamber Foundation's report lauded Governor Phil Bredesen and ECD Commissioner Matt Kisber's efforts to develop a business climate conducive to the creation of new jobs in Tennessee.

Specifically, the report commends Governor Bredesen's Jobs Cabinet as a unique approach to reducing bureaucracy and red tape for companies investing in Tennessee and spotlighted the Volunteer State success in job creation, pointing to a one-year period in which the state announced four \$1 billion dollar projects, creating 3,000 new jobs.

"I believe a key part of Tennessee's success is the state's willingness to take partisanship out of the equation when it comes to job creation," said Governor Bredesen. "We've worked closely with members of the General Assembly from both sides of the aisle to create a business-friendly economic climate in Tennessee and that approach has yielded results."

"Aligning the Department of Economic and Community Development and the Department of Revenue behind a single strategy to attract jobs and investment to Tennessee has been a big differentiator for our state," said Commissioner Kisber.

The report also called the TNInvestco program an "innovative approach" to developing venture capital to help grow Tennessee businesses.



*ECD Commissioner Matt Kisber at a business roundtable discussing job creation in July 2010.*

# Vision Into Action

## Governor's Conference Talks Education, Strategy

The 57th Annual Governor's Conference on Economic and Community Development hit a minor bump in the road after the May flooding across the Volunteer State flooded Gaylord Opryland. But after a quick scramble, the conference moved downtown to the Nashville Convention Center and drew a large crowd for Governor Phil Bredesen's and Commissioner Matt Kisber's final Governor's Conference in their current roles.

Hundreds of economic development professionals and community leaders flocked to the convention center Sept. 16-17 to hear lessons in economic development best practices, community development strategies and the latest trends in the industry, all centered around the theme "Vision into Action."

Michael Cohen, president of the nationally recognized education reform organization Achieve, provided the keynote address for the Commissioner's Luncheon on Sept. 16. His encouraging talk reminded attendees of the importance of education in the state's future and of its role in workforce development. In March, Tennessee was selected as one of two states to receive federal

funding to implement comprehensive school reform plans over the next four years. Cohen cited these plans as key to the success of the state's workforce and economic development.

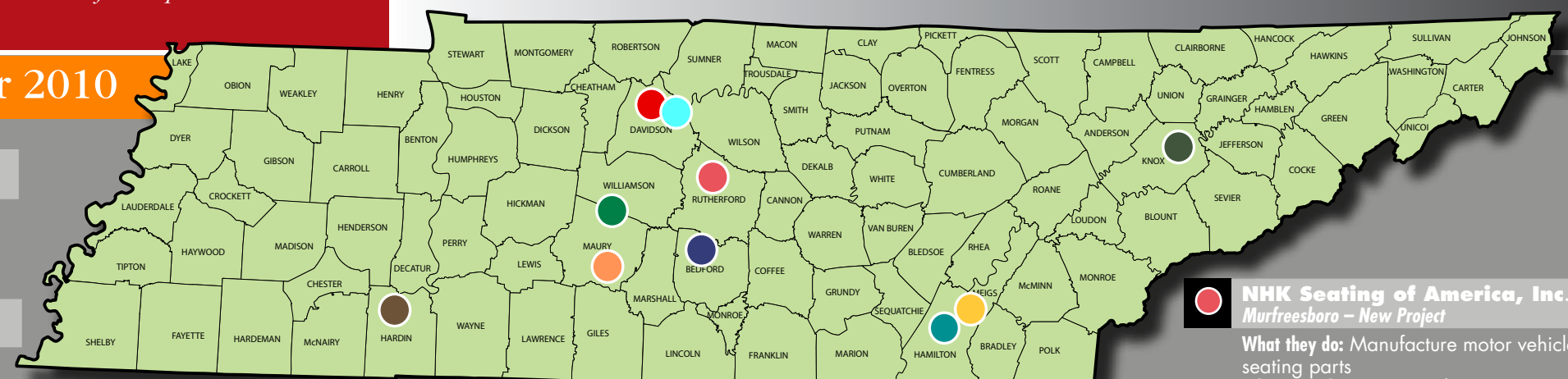
*(See Conference, page 6)*



*Achieve president Michael Cohen delivers the keynote address for the Commissioner's Luncheon Thursday, Sept. 16.*



*ECD Commissioner Matt Kisber at the 57th Annual Governor's Conference on Economic and Community Development.*



## Top 10 Job Creation Projects Of July - September 2010



**Chattanooga Seating Systems, LLC**  
*Chattanooga – New Project*  
What they do: Hospital  
Jobs Created: 140 new jobs  
Investment: \$4.7 million



**Cummins, Inc.**  
*Nashville – Expansion*  
What they do: Customer call center  
Jobs Created: 254 new jobs  
Investment: Confidential



**Cellular Sales Verizon Wireless**  
*Knoxville – Expansion*  
What they do: Customer service call center  
Jobs Created: 250 new jobs  
Investment: \$1 million



**Design Team Sign Company**  
*Savannah – Expansion*  
What they do: Banners; fabric awnings; lettered signs  
Jobs Created: 150 new jobs  
Investment: Confidential



**Convergys Corporation**  
*Chattanooga – Expansion*  
What they do: Provide telemarketing services  
Jobs Created: 200 new jobs  
Investment: Confidential



**GM Spring Hill Manufacturing**  
*Spring Hill – Expansion*  
What they do: Manufacture automobile engines  
Jobs Created: 483 new jobs  
Investment: \$483 million



**Health Spring**  
*Nashville – Expansion*  
What they do: Health care insurance carriers  
Jobs Created: 315 new jobs  
Investment: Confidential



**IB-Tech**  
*Mount Pleasant – New Project*  
What they do: Manufacture automotive seat adjusters  
Jobs Created: 385 new jobs  
Investment: \$50 million

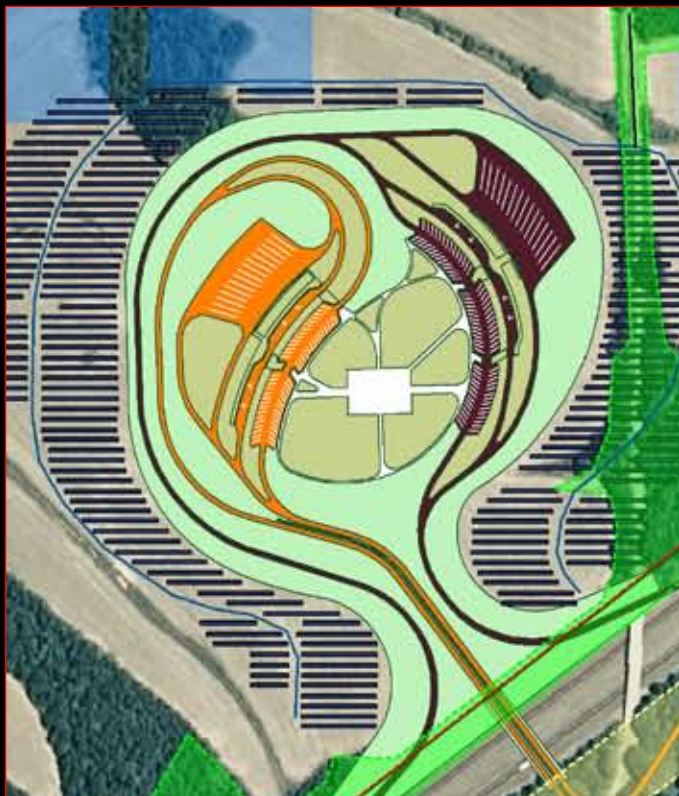


**NHK Seating of America, Inc.**  
*Murfreesboro – New Project*  
What they do: Manufacture motor vehicle seating parts  
Jobs Created: 224 new jobs  
Investment: \$54 million



**SMW Automotive Corporation**  
*Shelbyville – New Project*  
What they do: Manufacture automotive suspension parts  
Jobs Created: 170 new jobs  
Investment: \$26 million





*Site layout of the West Tennessee Solar Farm and Information and Welcome Center in Haywood County.*

## West Tennessee Solar Farm Picks Design/Build Contractor

The Tennessee State Building Commission approved Chattanooga-based Signal Energy as the design/build contractor for the West Tennessee Solar Farm to be located along Interstate 40 in Haywood County. The proposed five-megawatt, 30-acre power generation facility is part of Governor Phil Bredesen's Volunteer State Solar Initiative, funded by the American Recovery and Reinvestment Act, and will be one of the largest solar installations in the Southeast.

"The West Tennessee Solar Farm is a significant step forward for the development of the clean energy industry in Tennessee," said Governor Bredesen. "Through the Volunteer State Solar Initiative we are supporting the manu-

facturing and installation sectors of the solar industry and creating new jobs and opportunities for Tennesseans. In the long run we are strengthening Tennessee's reputation as a national clean energy leader and solar power hub."

ECD has contracted with the University of Tennessee to oversee planning, operation and management of the West Tennessee Solar Farm. UT selected Signal Energy following a competitive request-for-proposal process.

The Tennessee Department of Transportation will also build an education and welcome center at the Solar Farm to serve as an educational facility for the public and students to learn about renewable energy.

## TSI Announces Installation Grant Recipients in Q3

The deployment of renewable energy resources was given a jolt recently with the Tennessee Solar Institute's announcement of \$9 million in funds for new solar photovoltaic installations across the state.

The Solar Installation Grant Program is one of two grant opportunities available through the \$23.5 million Solar Opportunity Fund that is part of Gov. Phil Bredesen's Volunteer State Solar Initiative, funded by the American Recovery and Reinvestment Act of 2009.

Through this program, 108 projects, valued at more than \$33 million, have been approved for Solar Installation Grants. These installations will produce an estimated 5.8 megawatts of additional solar conversion, increasing Tennessee's total solar usage from 2.5 megawatts to more than eight megawatts.

"The Solar Installation grants are an important tool in the expansion of Tennessee's renewable energy portfolio and will help Tennessee businesses be more productive and competitive," said Matt Kisber, commissioner, Tennessee Department of Economic and Community Development. "Under Governor Bredesen's leadership, Tennessee has charted a new course towards sustainability and economic development in the solar industry. The strong



demand for the Solar Installation grants is proof the state's solar-related policies and initiatives are needed and proving successful."

Seizing an opportunity to reduce long-term energy costs, businesses responded quickly to the Solar Installation Grant Program. A total

of 190 applications have been submitted

since TSI began accepting applications on June 21, 2010. Grant awards range from \$14,400 to \$245,000 and include businesses across the state. Awards were given to eligible companies and farming operations on a first-come, first-serve basis and each recipient may receive up to \$245,000 in reimbursement funds for each application based on project size.

Also part of the Solar Opportunity Fund, TSI is offering Solar Innovation Grants to qualifying Tennessee solar industry firms seeking financial assistance to help strengthen their offerings to the solar industry as well as improve energy efficiency in their place of operations. The recipients of these grants are expected to be announced during the fourth quarter of 2010.

Detailed information is available on the TSI website, <http://solar.tennessee.edu>.

## Conference (continued from page 4)

During the Governor's Luncheon on Friday, Sept. 17, Governor Bredesen spoke to a full house about the economic development success the state has seen during the last year. To his point, during Thursday's luncheon, Commissioner Kisber received word that Macy's, Inc. would be expanding its Portland online order fulfillment center, adding approximately 250 full- and part-time positions. Governor Bredesen named this and other examples as evidence of the state's economic success and encouraged attendees to implement the lessons learned from the Governor's Conference back home.

Participants attended a variety of breakout sessions, with topics including natural disaster recovery, electric vehicles, supporting entrepreneurs, solar investments, hometown success stories, website development, leadership programs, education and negotiating with foreign companies.

## Happy 30th, Three-Star!

On the evening of the first night of the Governor's Conference, the Three-Star program celebrated its 30th Anniversary at a joint reception with the Tennessee Main Street program. ECD Commissioner Matt Kisber and Assistant Commissioner of Community Development Rick Meredith gave testimony to the importance of the program and the pride they each felt in seeing it grow each year.

In a video presentation, key players in the development of the program, including U.S. Senator Lamar Alexander, offered up their congratulations to Three-Star and encouraged Tennessee communities to continue to place emphasis on the goals of the program. In addition, McNairy County was honored as the only county to have participated in Three-Star for each of the program's thirty years.

**Videos from this year's conference can be found on ECD's YouTube site: [www.youtube.com/tnecd](http://www.youtube.com/tnecd). As it's available, information about the 58th Annual Governor's Conference on Economic and Community Development will be posted on the ECD website: [www.tn.gov/ecd](http://www.tn.gov/ecd).**

## GATE, LinkTenn Winners Recognized at Conference

During the 2010 Governor's Conference, Governor Phil Bredesen and ECD Commissioner Matt Kisber recognized recipients of the Governor's Award for Trade Excellence (GATE). The fourth annual GATE recognition honors Tennessee companies demonstrating excellence through expansion of global trade. The companies represent winners in three categories: Jarden Zinc Products, LLC for the large company category, DuPont Tate & Lyle Bio Products Company, LLC for the medium company category and Christie Medical Holdings, Inc. for the small company category.

Commissioner Kisber also recognized LinkTenn award winners: Tennessee communities and organizations who have achieved outstanding economic development marketing through the use of their websites.

### LinkTenn Award winners:

- **West Tennessee Industrial Association**, [www.wtia.org](http://www.wtia.org)
- **Lawrence County Chamber of Commerce**, [www.selectlawrence.com](http://www.selectlawrence.com)
- **Oak Ridge Economic Partnership**, [www.oakridgetn.org](http://www.oakridgetn.org)
- **Loudon County Economic Development Agency**, [www.loudoncountyeda.org](http://www.loudoncountyeda.org)
- **Giles County Economic Development Commissioner**, [www.gilescountyledc.com](http://www.gilescountyledc.com)
- **Cookeville Chamber**, [www.cookevillechamber.com](http://www.cookevillechamber.com)
- **Scott County Chamber of Commerce**, [www.scottcountychamber.com](http://www.scottcountychamber.com)
- **Business Visions - Gallatin Economic Development Agency**, [www.gallatinbusinessvisions.com](http://www.gallatinbusinessvisions.com)

To view and download photos of the GATE and LinkTenn award recipients, visit [www.tn.gov/ecd](http://www.tn.gov/ecd) and click the "Governor's Conference Award Photos" button on the right.



*Mike Philpox of the West Tennessee Industrial Association accepts a 2010 LinkTenn Award from ECD Commissioner Matt Kisber.*



*From Left: ECD Commissioner Matt Kisber; Mark Blizard, vice president, Coinage Sales and Business Development, Jarden Zinc Products, LLC, and Governor Phil Bredesen at the Governor's Luncheon on Friday, Sept. 17.*



## In Next Quarter's Developments...

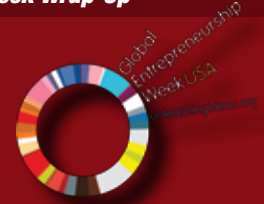
### 34th Annual SEUS-Japan Conference



### Community Development Block Grants Recipients Announced



### Global Entrepreneurship Week Wrap-Up





## TENNESSEE

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